



American Recovery and Reinvestment Act of 2009

Broadband Investment Program (BIP)

Broadband Technology Opportunities Program (BTOP)

Round Two Notices of Funding Availability

February 8, 2010



LinkAMERICA

- LinkAMERICA's multidisciplinary alliance of experts provides policymakers with actionable plans for broadband deployment that balance the needs of citizens, businesses and service providers.
- Our comprehensive approach analyzes both the supply- and demand-side barriers to broadband deployment to deliver results that are fact-based, research-focused and consensus-driven.



Independent · Research-focused · Consensus-driven · Cost-effective



MAPPING PROGRAM OVERVIEW

Overview

- NTIA (Dept. of Commerce) program of \$140 million to collect and display data and maps for broadband availability across the U.S. and develop broadband plans.

- Development and maintenance of a broadband inventory map. The State Broadband Data and Development Program will fund projects that document comprehensive and accurate state-level broadband mapping.

Federal Mapping Timeline

Broadband Data Improvement Act – Farm Bill 2008 framed the Stimulus Bill (ARRA) – Feb. 2009
Grant Applications Aug. 2009
Awards Nov. 2009
Initial Dataset Due Mar. 2010

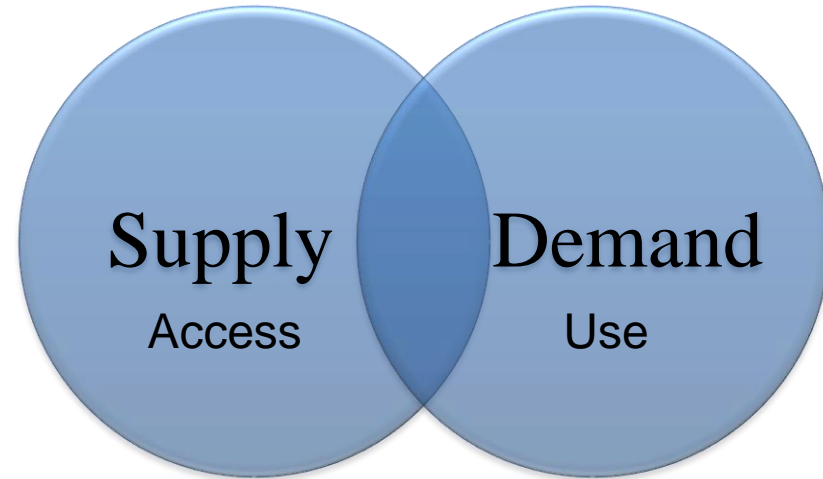
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MAPPING PROGRAM OVERVIEW

Broadband access itself is not the goal. We use a holistic approach that ensures broadband investments will result in more people with better jobs, business opportunities as well as expanded access to health care, education, public safety and effective government.

We're working to remove supply-side and demand-side barriers.





MAPPING PROGRAM UPDATE

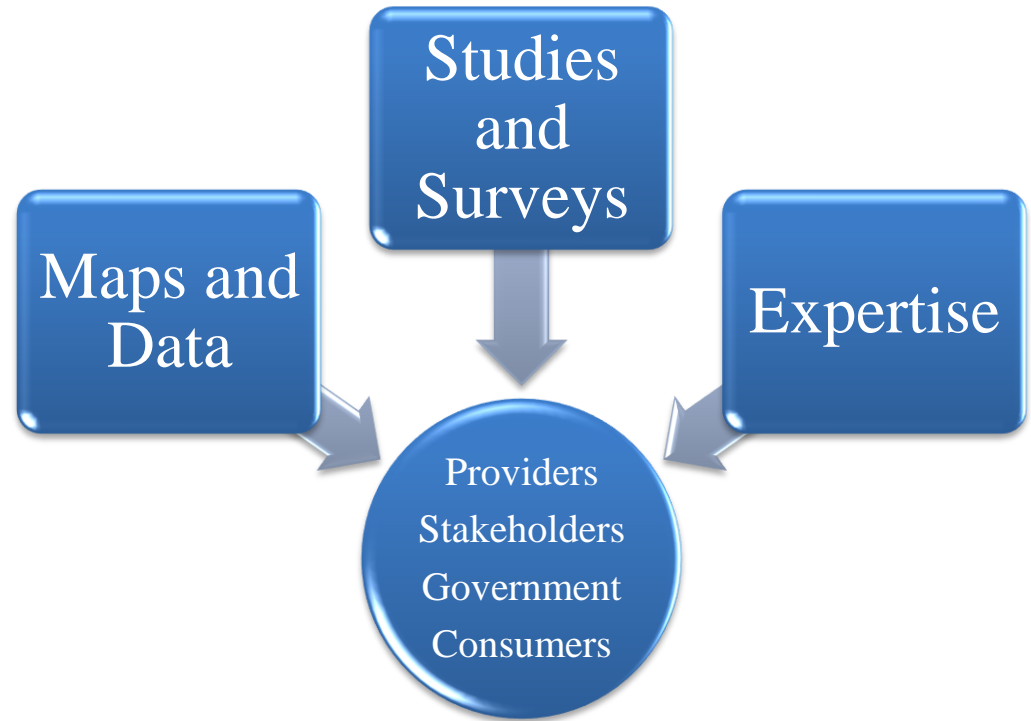
State Mapping Program as of Today...

- More than 60% of the state's Broadband Providers have submitted data
- More than half of the providers have executed NDA's
- Providers who submitted data will be able to review submissions before sent to NTIA
- Feb. 5th was the final day to send data in...but we will accept data this week if providers are willing to forego the submission review



STEWARDSHIP PROGRAM

- Stimulus Funding Webinar
- Funding Workshop
- Broadband Funding “Playbook”
- Mapping and Data Support Help Desk
- Survey and Study Sharing
- State-wide and Regional Plans
- State Framework Data and Tool Sharing
- Interactive Mapping Tools



LINKAMERICA



ROUND 1 HIGHLIGHTS

Applications Filed:

- 2311 Total (80-WI)
- 414 BIP Infrastructure (13-WI)
- 273 BTOP Infrastructure (63-WI)
- 884 BTOP/BIP Infrastructure (11-WI)
- At least 1300 rejected thus far.

Grants Awarded:

- 10 BIP Last Mile
- 3 BTOP Middle Mile
- 10 BIP Last Mile
- 5 BTOP Middle Mile
- 4 BTOP Sustainable Adoption
- 7 BTOP Public Computer Center

Number of Grants by State:

AL-1, AK-2, AZ -1, CA -2, CO-1, GA-1, HA-1, IA -3, KS-1, LA-1, ME-1, MA -2, MI-4, MN-1, NH-1, NM-1, NY-2, NC-1, ND-1, OH-1, OK-1, OR-1, RI-1, SC-1, SD-1, TN-1, VI-1, WA-2

BTOP Award Winners:

<http://www.ntia.doc.gov/broadband/grants/projects.html>

BIP Award Winners:

http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2010/01/0032.xml



ROUND 2 TIMELINE

- Electronic filing window for all projects opens Feb. 16, 2010 at 8:00 am (EST).
- Applications due by March 15, 2010 at 5:00 pm (EDT).
- Initial application window does NOT include applications for BIP's New Satellite, Technical Assistance, and Rural Library Broadband projects. Rules are forthcoming
- RUS and NTIA will announce BTOP and BIP Round 2 awards on a rolling basis starting in June 2010 and concluding September 30, 2010.



FUNDING AMOUNT

- BIP has allocated about \$2.2 billion for Round Two:
 - Last Mile: At least \$1.6 billion
 - Middle Mile: At least \$300 million
 - Satellite Projects: At least \$100M
 - Rural Library and Technical Assistance (combined): \$5M
- BTOP has allocated about \$2.6 billion for Round Two:
 - CCI: approximately \$2.35 billion
 - PCC: at least \$150 million
 - SBA : at least \$100 million
- NTIA expects to make awards *in the following funding ranges*:
 - CCI: \$5 million to \$150 million
 - PCC: \$500,000 to \$15 million
 - SBA: \$500,000 to \$15 million



SEPARATE BIP/BTOP PROCESS

- No joint applications allowed for BTOP/BIP.
- Applicants eligible for both BTOP and BIP have the option to apply to either agency for funding for the same project, but applicants should apply to only one agency for a given project.
- BroadbandMatch website.



BIP CHANGES FROM ROUND ONE

- Grant/Loan Allocation is now 75% grant and 25% loan.
- Removes Due Diligence stage.
- Elimination of census block reporting. Replaced with census block groups and census tracts.
- RUS now limits funding to no more than \$10,000 per premise, unless requesting waiver. (BTOP is per household)
- Awardees must comply with all Recovery Act obligations which will extend for the life of the award-funded facilities.
- Eliminated 10-yr holding rule on award-funded facilities. Applicant may now request waiver.
- Only three-year capital lease for facilities can be funded rather than five-year lease.
- Second Review at agency's discretion.
- Interconnection and Non-Discrimination. Obligated to follow any new FCC rules.



BIP ELIGIBILITY

- Eligible Service Areas are those more than 75% rural (middle mile 75% of interconnection points) and with less than 50% high-speed access.
 - Definition of high speed access is at least 5 Mbps (up and down combined). **NEW!**
 - Definitions of "unserved" and "underserved" no longer used for qualifying eligible service area.
 - Excludes areas funded under Round One BTOP/BIP
 - Excludes existing service area of RUS borrowers
- Fully Funded.
- Financial Feasibility.
- Technical Feasibility.
- RUS will limit federal assistance for Last Mile projects to \$10,000 per premises passed in the proposed funded service area, unless waiver. **NEW!**
- Satellite, Library and Tech Assistance details TBA.



BIP FUNDING CATEGORIES

Last Mile

- RUS is primarily focused on Last Mile.
- Proposed services areas must be 75% or more rural with 50% or more lacking high-speed access.
- 75% grant / 25% loan combo with no cash match.

Middle Mile:

- RUS encourages only former and current RUS loan/grant recipients to apply for Middle Mile.

Satellite Projects NEW!

- Must provide CPE at no cost, i.e. installation and activation fees.
- Must provide subscribers a 25% reduction for at least the 1st year of service.
- RUS has divided the country into eight separate regions with one winner per region. Parties may apply for multiple regions.

Rural Library Broadband NEW!

- Reimburse associated costs for connecting a rural library.

Technical Assistance NEW!

- Applicants may request may submit a request for an additional grant up to \$200,000 to develop a regional broadband development strategy in rural areas.

Rules forthcoming for Satellite, Rural Library Broadband and Technical Assistance.



RUS EVALUATION PROCESS

RUS will evaluate Last and Middle Mile BIP applications using a point system:

- Unserved households, compared to total households.
- % of PFSA that is above 75 percent rural.
- Distance from Non-Rural Areas.
- Title II Borrowers.
- RUS Administrator has discretion to award up to 10 bonus points to applications that provide significant assistance to critical community facilities (including libraries), promote rural economic development, support persistent poverty counties, serve chronically underserved areas, demonstrate cost effectiveness, offer low-cost service options, and/or provide for geographic diversity. These points may not raise an Applicant's score to more than 100 points.

RUS no longer offers a due diligence stage.

Environmental Questionnaire must be completed with the application.



BIP LAST MILE AND MIDDLE MILE SCORING

LAST MILE AND MIDDLE MILE

- Cooperation with other Recovery Act Programs.
- Wireline offering a minimum of 5 Mbps combined
- Fixed Wireline offering a minimum of 20 Mbps combined
- Wireless offering a minimum of 3 Mbps combined
- Mobile Wireless offering a minimum of 3 Mbps combined: 10 points

MIDDLE MILE

- 100 Mbps to all interconnection points in the network: 10 points
- Service to Critical Community Facilities and SDBs
- Organizational Capability
- Socially and Economically Disadvantaged Small Business Concern
- Leverage of Outside Resources
- Extent of Grant Funding
- Cost Effectiveness



BTOP CHANGES FROM ROUND ONE

- Focus on “Comprehensive Community” Infrastructure Projects.
- Removed unserved and underserved requirement, but applications serving these areas received additional consideration.
- Eliminated requirement for professional engineer certification.
- Eligibility criteria: (1) Eligible entities, (2) Fully completed application, (3) Match
- Waiver requests for restrictions on sale/lease of funded assets may be submitted anytime during the life of the equipment.
- BTOP applicants must provide 8-year pro forma financials.
- NTIA may refer CCI applications to RUS.
- Applicants will need to provide more specific demographic data, i.e. median income.



BTOP ELIGIBILITY

Three Eligibility Criteria:

- Eligible Entities
- Fully Completed Application
- Matching Funds
 - At least 20% of the total eligible costs of the project (or receive a waiver)
 - Favorable consideration for all cash match
 - Match of 30% or more receives additional favorable consideration. **NEW!**
 - **Applicant may request a waiver**



BTOP FUNDING CATEGORIES

Comprehensive Community Infrastructure (CCI) NEW!

- Middle Mile broadband infrastructure projects that offer new or substantially upgraded connections to community anchor institutions, especially community colleges.
- Applicants must demonstrate the cost reasonableness and effectiveness of the Last Mile component and ensure \$10,000 or less per household or per subscriber, or demonstrate why it should be permitted to exceed this ceiling.
- Last Mile is a low priority, but if areas are rural they cannot exceed 20% of the total project cost.
- Exclusive Last Mile projects are a low priority

Public Computer Centers (PCC)

- Expands public access to broadband service

Sustainable Broadband Adoption (SBA)

- Funds innovative projects that promote broadband demand among vulnerable populations.



BTOP PRIORITY CRITERIA **NEW!**

1. Middle Mile BB infrastructure with commitment to offer new or substantially upgraded service to community anchor institutions
2. Middle Mile BB infrastructure incorporating a public-private partnership
3. Middle Mile BB infrastructure to bolster growth in economically distressed areas
4. Middle Mile BB infrastructure with a commitment to serve community colleges
5. Middle Mile BB infrastructure with a commitment to serve public safety entities
6. Middle Mile BB infrastructure that includes
 1. (i) Last Mile infrastructure component in unserved or underserved areas; or
 2. (ii) commitments or non-binding letters of intent from one or more Last Mile broadband service providers.
7. Middle Mile BB infrastructure projects with a 30% or greater match.

To the extent that an applicant does not address all of these criteria, NTIA will prioritize those applications in the order that they satisfy the most highly-ranked criteria (#1-6, then #1-5, then #1-4, then #1-3, etc...)



PUBLIC NOTICE

BIP

- RUS will post online each proposed funded service area and the communities where interconnection points terminate.
- RUS will allow a 30-day public comment period for existing service providers.
- RUS will use mapping tool.

BTOP

- Each CCI application's list of proposed census block groups/ tracts will be posted on www.broadbandusa.gov
- Existing broadband service providers have 15 days to voluntarily submit service data.
- PCC and SBA applications will be similarly posted.
- NTIA eliminated mapping tool.



APPLICATION SUGGESTIONS

- DATA. DATA. DATA.
- Partner with Small and Disadvantaged Businesses
- Partner with Indian Tribes
- Consistency in budget and financials
- Project purpose – show historical problem and how your project solves problem
- Letters of support must be very specific and data-driven



RESOURCES

Check www.BroadbandUSA.gov frequently for updates. Not all updates are posted on the home page.

<http://www.ntia.doc.gov/>

<http://www.usda.gov/rus/telecom/index.htm>

Broadband USA Help Desk **NEW!**

1-877-508-8364

BroadbandUSA@usda.gov



WISCONSIN WORKSHOP

Madison, Wisconsin

Wednesday, February 24

12:30PM - 3:30PM (CT)

Location: TBA

Further details are forthcoming. Contact
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